

Sales Force Reactions to Corporate Social Responsibility: Attributions, Outcomes, and the Mediating Role of Organizational Trust

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ABSTRACT

Corporate social responsibility (CSR) is gaining momentum among researchers and practitioners. In spite of this extensive interest, systematic research regarding the effects of CSR on other stakeholder groups, besides consumers, remains sparse. Based on a field study in a global *Fortune 500* consumer packaged goods company, we examine sales force attitudinal and behavioral outcomes of company's partnership with a United Nations (UN) philanthropic organization. Specifically, we seek to examine whether sales force perceptions of CSR motives influence their evaluation of CSR actions. Findings indicate that egoistic-driven motives negatively influence salesperson trust in the company, whereas stakeholder-, and values-driven motives positively influence salesperson trust; however, strategic-driven attributions do not have an influence on salesperson trust. The results further reveal the mediating role of trust in the relationship between sales force attributions and outcomes including loyalty intentions and positive word-of-mouth.

KEYWORDS

Corporate social responsibility; sales force; attributions; organizational trust; behavioral intentions

INTRODUCTION

Corporate social responsibility (CSR) is gaining momentum among companies as evidenced in the number of CSR initiatives that global corporations are undertaking. As many as 90% of the Fortune 500 companies now have explicit CSR initiatives (Luo & Bhattacharya, 2006). Furthermore, according to a global Economist Intelligence Unit survey, the percentage of executives giving very high priority to CSR will soar to 70% in the next three years (Franklin, 2008).

Whereas CSR initiatives are developed with the aim to provide support to worthy causes, companies practice them as much to increase visibility as to create social impact. Apparently, companies invest heavily not only in “good” actions but also in communicating them (Luo & Bhattacharya, 2006). For example, Phillip Morris gave \$75 million in charitable contributions in 1999, and then launched a \$100 million campaign to publicize them (Porter & Kramer, 2004). On another example, oil giant BP, high-ranked in Fortune’s CSR list, has been heavily criticized that it has merely copied the language of the environmentalists without the real commitment to deliver. Critics note that after re-branding itself as an environmentally sound corporation, BP has been hit with a number of fines for major pollution incidents (Saigeetha & Vasanthi, 2008). These practices have led to arguments that CSR breeds public cynicism and suspicion (Luo & Bhattacharya, 2006; Porter & Kramer, 2004).

In spite of the extensive evidence suggesting positive (as well as negative) effects of CSR on consumer behavioral reactions, systematic research regarding CSR effects on other stakeholder

groups, like employees, remains sparse, at best (Sen, Bhattacharya, & Korschun, 2006). This fragmented view is problematic, especially in light of the findings of some studies that CSR perceptions may have important effects on people who are part of the company (Drumright, 1996).

One prominent stakeholder group that has received very limited research attention in a CSR context is a firm's sales force (e.g., Larson, Flaherty, Zabrax, Brown, & Wiener, 2008.). Importantly, the sales force represents a major investment for most business-to-business firms, since it plays a prominently important role in developing a lasting competitive advantage and in developing and maintaining relational bonds with business customers (e.g., Albers, Mantrala, & Sridhar, 2008; Palmatier, Scheer, & Steenkamp, 2007; Vorhies & Morgan, 2005). Yet, there is a dearth of research investigating whether CSR has a positive effect on salespeople's attitudes and behavioral intentions, thus providing additional payoff to firms engaging in CSR initiatives. In the same vein, there is no research investigating whether CSR has a negative effect on salespeople. For example, it may be that salespeople negatively view CSR, since the latter often competes with other critical marketing investments such as selling, advertising, and product development (Luo & Bhattacharya, 2006).

Against this backdrop, this article contributes to our growing understanding of the potential benefits of CSR by examining sales force reactions to a real-world CSR initiative. In particular, this study has four objectives: (1) to enhance our understanding of salespersons' attributions about the motives behind CSR (i.e., whether motives are viewed as being primarily negative or

positive); (2) to provide empirical evidence on how the sales force – a critical participant in a firm’s value creation processes – reacts to marketing actions with a social dimension (i.e., CSR initiatives); (3) to investigate whether there are intervening processes that translate these salesperson reactions into important internal marketing goals (e.g., desire to stay with the firm, speak positively about the firm to others); and (4) to deepen the CSR research stream by recognizing that CSR initiatives have many targets and should be studied in a multi-stakeholder framework.

To achieve these objectives we extend the literature in several ways. Firstly, we focus on how the sales force of a consumer packaged goods firm – whose selling efforts target organizational buyers, retailers, and wholesalers – reacts to CSR initiatives. This is an important extension of the literature, since prior work has not examined salespersons’ reactions to CSR or has done so in a consumer selling context (e.g., Larson, *et al.* 2008). Secondly, we investigate whether multiple types of salesperson attributions regarding the motives underlying a firm’s CSR activities influence salesperson’s attitudes (i.e., organizational trust) and behavioral intentions (i.e., positive word of mouth and loyalty intentions). Finally, we select organizational trust as the mediational pathway that translates sales force reactions into behavioral outcomes. As such, we theoretically develop and test a social exchange model of salesperson behavioral intentions toward the company. Specifically, we use the idea of building moral capital (Godfrey, 2005), as one theoretical lens through which salespersons’ reactions to CSR can be examined and understood. Arguably, CSR should be about building moral capital (Godfrey, 2005), thereby placing trust (i.e., a moral value; Hardin 1991) as a construct of central importance in evaluating

CSR initiatives. Trust is likely to positively influence salespersons' extra-role performance, which is not explicitly recognized by the formal reward system and that strengthens the effective functioning of the organization (Aryee, *et al.* 2002; Ramaswami and Singh 2003). Unlike prior work in sales which has focused on supervisor trust (e.g., Atuahene-Gima & Li, 2002; Ramswami & Singh, 2003), our focus is on trust toward the organization, namely the extent of trust placed in an organization by the members of the organization (Zaheer, McEvily, & Perrone, 1998). Investigating organizational trust in the context of CSR initiatives is important, since indoctrinating salesperson trust might foster the development of company-favoring behavioral intentions, such as speaking positively about the company to others and expressing the intention to stay in the company.

The remainder of this article is organized as follows: First, we discuss the theoretical foundations of our study and present the hypotheses to be tested. Next, we delineate the research methods employed to empirically test hypotheses and present the results of the statistical analysis. Finally, the research implications of the study are explored, and managerial actions are discussed.

THEORETICAL BACKGROUND

CSR and the Generation of Moral Capital

To achieve the objectives of the study, we use the theoretical lens of moral reputational capital theory (Godfrey, 2005; Uslaner, 2002). Moral reputational capital can be modeled as the outcome of the process of moral evaluations that constitute a moral reputational capital

(Fombrun, 1996). According to management theorists (Godfrey, 2005), stakeholders are likely to impute moral values to organizational actions. Goffman (1997) suggests that when individuals evaluate actions (and the accompanying cues, tests, and hints of these actions) they tend to treat them as claims and promises implicitly made, and claims and promises tend to have a moral character. During the evaluation process, individuals tend to judge not only tangible facts at hand, but also assign motivations to the other party (Godfrey, 2005; Jones & Davis, 1965). In the context of this study, CSR actions are likely to be treated by stakeholders as implicit claims and promises that the company brings ethical values in its exchanges with its stakeholders. In this respect, CSR activities will likely generate positive reputation and subsequent positive moral capital, since “...good and beneficent acts that go beyond the call of duty should result in approbation rather than condemnation” (Godfrey, 2005, p. 783). Building on these perspectives, it is likely that companies use CSR actions as a way to generate positive moral capital among external and internal constituencies. We argue that the moral capital generation process is likely captured by trust-based mechanisms. Since CSR actions are about helping others (i.e., a fundamental moral value), companies (should) primarily engage in CSR in order to convey information and subsequently convince stakeholders that they share the same fundamental moral values. According to Fukuyama (1995, p. 153) “...trust arises when a community shares a set of moral values in such a way as to create regular expectations of honest behavior.” Building on these premises, we posit that a key internal constituency of the firm (i.e., the sales force), evaluates CSR actions primarily by assigning motivations, which trigger trust-based mechanisms, which, in turn, translate into favorable relational outcomes for the company (i.e., loyalty and word-of-mouth intentions).

A Multi-Stakeholder Framework of CSR

The CSR literature has mainly focused on one stakeholder group: consumers (e.g., Barone, Miyazaki, & Taylor, 2000; Barone, Norman, & Miyazaki, 2007; Luo & Bhattacharya, 2006; Sen & Bhattacharya, 2001). However, there is growing recognition in the marketing literature that the impact of CSR is more multifaceted than previously considered (Maignan and Ferrell 2004). Marketing researchers (Sen, *et al.* 2006) and practitioners (Franklin, 2008) have advanced the need for research investigating CSR in a stakeholder-driven framework. Drumright (1996), for instance, finds that CSR perceptions may have important effects on people who are part of the company, whereas Sen, *et al.* (2006) investigate the impact of CSR on two audiences, namely, prospective students and prospective investors. More recently, Larson, *et al.* (2008) investigate the effect of construed consumer attitude towards CSR on salespersons' selling confidence in a direct selling context; however, they note the lack of CSR research in non-consumer (e.g., business-to-business) audiences. On the basis of the preceding discussion, it is apparent that there is limited research investigating whether and how CSR initiatives influence an important internal stakeholder group, namely sales employees. Therefore, our focus in this study is to investigate *whether* and *through what processes* salesperson reactions to CSR initiatives influence important company-favoring attitudes and behavioral intentions.

Following this logic, our research draws from stakeholder theory (e.g., Bosse, Philips & Harrison, 2009; Goodpaster, 1991) thus viewing CSR initiatives in a multi-principal/multi-stakeholder context. As shown in Figure 1, a firm's CSR activities are directed toward several stakeholder groups, each one belonging to either the firm's internal or external environment.

Although each group deserves its own attention, most of the literature has focused at investigating how CSR initiatives influence audiences belonging to a firm's external environment, such as consumers. We broaden the analysis and investigate employees' responses to CSR initiatives. This is consistent with calls to pay greater attention to multiple stakeholder groups rather than focusing exclusively on consumers (Bhattacharya, Korschun, & Sen, 2009).

-----Insert Figure 1 About Here-----

CSR Attributions

Corporate motives underlying CSR have been discussed as a major concept explaining consumers' reaction to CSR (Godfrey, 2005). Attributional processes (i.e., attempts to understand the causes and implications of events) are often evoked in the context of heightened suspicion (Fein, 1996), such as a profit-seeking corporation's involvement in good causes, which may be reflective of self-interest activities (Arumi, Wooden, Johnson, Farkas, Duffet, & Amber, 2005; Franklin, 2008). Importantly, there is evidence suggesting that people may care less about what firms are doing than about why they are doing it (Gilbert & Malone, 1995). To the best of our knowledge, though attributional processes seem to explain stakeholders' reactions to CSR, there is no study investigating the role of CSR-induced attributions in a sales force setting. Although attribution theory has been successfully applied in prior work in the sales area, its application has been limited to motivation or performance feedback research (e.g., Dixon, Spiro & Jamil, 2001; Johnston & Kim, 1994; Kohli & Jaworski, 1994; Sujana, 1986). However,

investigating CSR-induced attributions is at the heart of salesperson attitude formation towards the CSR action and, importantly, towards the organization.

The basis for our research model is the CSR literature related to the consumer stakeholder group. According to this line of research, consumers are likely to differentiate four types of *motives* underlying a firm's CSR initiative (Ellen, Webb & Mohr, 2006): egoistic-, strategic-, stakeholder-, and values-driven motives. In particular, egoistic-driven motives relate to exploiting the cause rather than helping it. Strategic-driven motives support attaining business goals (e.g., increase market share, create positive impressions) while benefiting the cause. Stakeholder-driven motives relate to support of social causes solely because of pressure from stakeholders. Finally, values-driven motives relate to benevolence-motivated giving. In this study, we focus on the CSR-induced attributions salespeople make regarding each one of the four types of motives.

PROPOSED MODEL & HYPOTHESES

Proposed Model

We build on *fairness theory* (e.g., Ambrose, 2002; Kahneman, Knetsch, & Thaler, 1986), as well as on the *multiple needs model of organizational justice* (Rupp, Ganapathi, Aguilera, & Williams 2006), to build hypotheses linking a salesperson's CSR-induced attributions to organizational trust and important behavioral intentions (i.e., positive word-of-mouth and loyalty intentions). Fairness theory suggests that employee attitudes and behaviors are heavily influenced by how fair they consider their organization's actions to be (Cropanzano, Byrne, Bobocel, & Rupp,

2001). Though fairness perceptions can largely be guided by employees' economic rationality and self-interest, they also seem to involve a morality-driven component. For example, Kahneman, *et al.* (1986) suggest that economic actions can be explained by using moral terms. In contrast to the standard microeconomic model, the same behavioral economists suggest that transactors (e.g., employees and/or customers): (a) care about being treated fairly and treating others fairly and (b) are willing to resist unfair firms even at a personal cost (Kahneman, *et al.* 1986). According to the deontic model, employees are likely to negatively react to an unfair act even when they are not themselves the victim of this act (Rupp, *et al.* 2006). Though many suggest that justice concerns are largely self-focused, fairness theory suggests that justice concerns are universal norms that probably transcend self-interest. (Rupp, *et al.* 2006).

According to the multiple needs model of organizational justice, salespeople's concerns for fair treatment of causes stem from instrumental-, relational- and morality-based motivations (Rupp, *et al.* 2006). Instrumental-based motives relate to the satisfaction of control needs, relational-based motives relate to the satisfaction of belongingness needs, whereas morality-based motivations relate to the need for meaningful existence.

Figure 2 depicts our research model. According to our model, CSR-induced attributions of an organization's motives will have a direct impact on salesperson trust toward the organization as well as on salesperson word-of-mouth and loyalty intentions. The proposed antecedents were taken from the literature focusing on CSR-induced attributional processes and suspicion (e.g., Ellen, *et al.* 2006) We next discuss the theoretical underpinnings of the proposed model.

-----Insert Figure 2 About Here-----

Hypothesized Main Effects

Egoistic-driven attributions relate to excess profiteering and cause exploitation on the part of the sales organization. This could predispose salespeople to believe that their employing organization may not care for them. This, in turn, indicates that they may become victims of manipulative actions in the future as well. Consistent with fairness theory (e.g., Cropanzano, *et al.* 2001) the potential of manipulative actions on behalf of their employing organization does not facilitate the attainment of self-focused needs (Rupp, *et al.* 2006). Bluntly put, salespeople, mainly driven by self-interest, will be less willing to rely on an employing organization that unfairly treats a CSR cause. Such a behavior is presumably an indication that the organization will unethically treat salespeople in the future as well. The negative effect of egoistic-driven motives on organization trust and behavioral outcomes can also be explained using morality-based motives. Salespeople working for an organization, which they perceive as being manipulative in its interaction with a cause, will not have their needs for a meaningful existence met (Rupp, *et al.* 2006). Thus, salespeople will not tend to trust the organization, feel less desire to remain and start spreading negative word-of-mouth. Based on this discussion:

Hypothesis 1: Egoistic-driven CSR attributions have a negative effect on salesperson (a) organizational trust, (b) positive word-of-mouth, and (c) loyalty intentions.

On a similar logic, values-driven motives are likely to be positively viewed by salespeople, thereby evoking favorable CSR-induced attributions. Values-driven attributions made by salespeople about the motives underlying the company's participation in CSR, are likely acting as a signal of a caring and benevolent company (Ellen, Mohr and Webb, 2000). Such motives can satisfy salespeople's need for meaningful existence and further provide indication that in the future the sales organization is likely to treat its sales force with caring and benevolent attitudes as well (Ellen, *et al.* 2000). Relational needs of salespeople are also likely to be met when the sales organization is perceived as having benevolent CSR motives. Salespeople working for a values-driven company, are likely to be more positively viewed from peers, family members and important others. A sales organization with caring CSR-induced motives likely helps a salesperson to enhance his/her social self-expression needs. Thus, salespeople will feel that the organization can be trusted, and they will tend to engage in positive word-of-mouth behaviors and remain loyal to the organization. We, therefore, posit the following:

Hypothesis 2: Values-driven CSR attributions have a positive effect on salesperson (a) organizational trust, (b) positive word-of-mouth, and (c) loyalty intentions.

Thus far, we have argued that increasing values-driven motives positively affects salesperson organizational trust and important behavioral outcomes. However, we expect that this impact may not be strictly linear and might take the form of an inverted U-shaped relationship. Arguably, given that sales organizations are profit-seeking corporations, salespeople recognize that too much of benevolent-motivated giving, is probably misguided priority and a compromise

to profitability. Too much of values-driven CSR may make salespeople believe that the sales organization is naïve, quixotic and not competent enough to take care of its business and consequently its sales employees. Thus, too much of values-driven motives can lower salespeople's trust toward the organization. If trust toward the sales organization is lowered, we expect an ensuing downward effect on salespeople's tendencies toward spreading positive word-of-mouth as well as harming loyalty intentions (Vlachos, Tsamakos, Vrechopoulos, Avramidis, 2009). Taken together, this discussion suggests that departing from an optimal point—that is, increases in values-driven motives that are either too low or too high—leads to decreases in organizational outcomes, exhibiting an inverted U-shaped relationship. Thus, we posit:

Hypothesis 3: An inverted U-shaped relationship exists between salespeople's values-driven CSR attributions and (a) organizational trust, (b) positive word-of-mouth and (c) loyalty intentions.

Stakeholder-driven attributions made by salespeople about the motives underlying the company's participation in CSR likely signal that their employing organization is taking into account its stakeholders, including themselves as well. Though in this instance, salespeople may perceive that their the sales organization is involved in CSR actions out of sheer stakeholder pressure, this is probably something that will make sales employees more confident that in the future their employing organization will take their emergent needs into account as well (Rupp, *et al.* 2006). Importantly, stakeholder-driven attributions (i.e., engaging in CSR actions in order to satisfy stakeholder needs) most likely indicate to salespeople that their organization is market-

oriented. A critical test of a firm's market orientation is the extent to which the sales force perceives the firm as being concerned with satisfying stakeholders' needs (Jones, Busch, & Dacin, 2003). When salespeople view CSR initiatives as a result of good market intelligence and responsiveness efforts then they are more likely to believe that their company is market-oriented (Kohli & Jaworski, 1990). Market-orientation, however, is instrumental in achieving positive salesperson attitudes and increased effectiveness (Jones, *et al.* 2003). Drawing from this discussion, we expect salespeople to positively view stakeholder-driven motives on the part of the sales organization.

At this point it should be noted that, in the consumer domain, stakeholder-driven attributions were found to negatively influence outcomes (Ellen, *et al.* 2006). According to Vlachos, *et al.* (2009): "...consumers are likely to view attributions of stakeholder-driven motives negatively, as they believe the company is acting to avoid retribution from stakeholders and fear that a company's worthy programs may disappear in the next downturn". In contrast to these studies, and consistent with the earlier discussion on market-orientation, we posit:

Hypothesis 4: Stakeholder-driven CSR attributions have a positive effect on salesperson (a) organizational trust, (b) positive word-of-mouth, and (c) loyalty intentions.

In the same vein, we expect strategic-driven motives to be positively viewed by salespeople. By their nature, strategic-driven motives support attaining business goals while simultaneously benefitting the cause. Thus, this type of motive indicates that the employing organization views

CSR as a promotional tool, which will most likely facilitate the selling process. CSR campaigns, and especially cause-related marketing actions, seem to be sales-relevant since they benefit the sales organization through increased sales as well (Barone, *et al.* 2000; Larson, *et al.* 2008). As an illustration, consider the case of an organization offering a part of its revenues to third-world countries; the organization is promoting this initiative by advertising it to the consumer market. This leads to increased demand for the organization's products, thereby facilitating the sales force in selling to their customers (i.e., major retailers). On the basis of this discussion we predict:

Hypothesis 5: Strategic-driven CSR attributions have a positive effect on salesperson (a) organizational trust, (b) positive word-of-mouth, and (c) loyalty intentions.

The Mediating Role of Organizational Trust

Trust has been recognized as a social exchange mediator in many disciplines, including social psychology (Blau, 1964), organizational behavior (Cropanzano & Mitchell, 2005) and marketing (Morgan & Hunt, 1994). Although there are different forms of trust (trust in the supervisor, trust in coworkers, customer's trust in the salesperson, etc.), our focus in this study is on organizational trust, which refers to salespeople's beliefs in the organization's honesty and benevolence (Griffith & Lusch, 2007). Though trust seems to be more applicable to person-to-person relationships than business relationships, it may be possible to have trust *in* an organization (Mouzas, Henneberg, & Naude, 2007).

In linking this evidence with our main-effects hypotheses, which relate salespeople's CSR-induced attributions to behavioral intentions, we also expect an intervening (i.e., mediating) role of trust in the aforementioned linkages. In particular, we expect that organizational trust will mediate the effects of CSR-induced attributions to salesperson word-of-mouth and loyalty intentions. There are several rationales for our choice. First, consistent with the literature in the organizational behavior literature, CSR should be about building moral capital (Godfrey 2005), thus placing trust (i.e., a moral value construct) at the center of CSR evaluation networks. Second, prior work in the sales area has treated trust as a key mediating mechanism in the relationships between managerial practices and important salesperson outcomes (e.g., Atuahene-Gima & Li, 2002; Brashear, Boles, Bellenger, & Brooks, 2003.; MacKenzie, Podsakoff, & Rich, 2001; Ramaswami & Singh, 2003). These studies have also provided evidence that salesperson trust significantly affects salesperson attitudes and behavioral intentions, such as turnover intentions, organizational citizenship behaviors, job satisfaction, and organizational commitment. Finally, theoretical and empirical work in both marketing and management have underscored that organizational trust acts as a mediator between managerial activities and employee outcomes (Griffith & Lusch, 2007; Mayer, Davis, & Schoorman, 1995). It should be noted, however, that we hypothesize a partial mediation effect, since we believe in the existence of alternative routes that may translate CSR-induced attributions into important salesperson outcomes. For example, construed customer attitude towards CSR activities (i.e., sales force beliefs about how current customers will evaluate CSR campaigns;) (Larson, *et al.* 2008) is likely a "nontrust" route translating CSR attributions into salesperson outcomes. Furthermore, our view of partial mediation is in accordance with prior work in the organizational literature, which contemplates

that complete (full) mediation is an unlikely route in real world studies (Kenny, 2008). On the basis of the preceding discussion, we posit:

Hypothesis 6: Salesperson organizational trust (at least) partially mediates the effect of all four types of CSR-induced attributions on salesperson loyalty and positive word-of-mouth intentions.

Covariates

Previous research has supported the influence of salesperson tenure on important salesperson attitudes and outcomes (e.g., Avlonitis & Panagopoulos, 2007; Larson, *et al.* 2008). Accordingly, we include a measure of tenure with the sales organization in all subsequent analyses to account for the possible covariation between tenure, organizational trust, loyalty intentions and word-of-mouth. As a result, the effects of CSR-induced attributions on trust, loyalty intentions and word-of-mouth will be more than simply a reflection of tenure with the sales organization (Larson, *et al.* 2008). Specifically, we predict that the longer salespeople are with an organization, the higher is their trust, loyalty and word-of-mouth intentions.

RESEARCH METHODS

Research Setting and Data Collection

A large, global, *Fortune 500* consumer packaged goods company recently announced a partnership with a United Nations (UN) organization¹. In the context of this partnership, cause-related marketing activities and employee involvement programs took place. The company provides a good context to test our hypotheses, since the sales force constitutes an integral part of the company's go-to-market strategy. A partnership was established with the company's top management that allowed us to conduct a web-based survey among members of the sales organization in the company's headquarters located in the Netherlands. A link of the questionnaire was posted on the company's internal portal. A message from both the internal communication director and the commercial director invited salespeople, who were responsible for selling to major retailers and key accounts, to participate in a university research study. The link remained to the portal for two weeks, while no follow up was allowed, due to management restrictions. We received 63 usable responses from a total of 300 salespeople (21% response rate). Given the sensitivity of the issue under investigation as well as the fact that no incentive was given, the response rate is reasonable and compares well with similar studies (e.g., Dixon, *et al.* 2001; Larson, *et al.* 2008). The sample can be described as follows: female (58.0%), most were between 25 and 44 years old (74.2%), 21% were in the 45-55 age group, 2.0% were between 18 and 24 years old, and approximately 2.0% were more than 55 years old.. Finally, with respect to job tenure, 3.0% of the sample had been with the company for less than 1 year, 28.0% of the sample had been with the company between 1 and 5 years, and 69.0% had been with the sales organization for at least three years. Confidentiality agreements with company

¹ We do not disclose the name of the company for reasons of maintaining confidentiality.

management prevent us from recording the time at when each salesperson filled out the questionnaire; thus, assessing nonresponse bias by means of an extrapolation approach cannot be applied here. However, we discussed the respondents' demographic profile with senior management to verify whether respondents differ from non-respondents. This procedure revealed that respondents are representative of the firm's sales force in all respects (i.e., age, gender, and tenure) and thus nonresponse bias in terms of these factors is likely not a problem in our study.

Measures

Measures were adapted from the existing literature and from discussions with top management (see Appendix). All constructs were operationalized using multiple-item scales and employing a seven-point Likert-type response format. Positive word-of-mouth and loyalty intentions measures were adapted from Zeithaml, Berry, & Parasuraman (1996), whereas organizational trust measures were drawn from Sirdeshmukh, Singh, & Sabol (2002). Finally, CSR-induced attribution measures were adapted from Ellen, *et al.* (2006). In order to respond to CSR-induced attribution items, respondents were exposed to a text describing in detail the CSR initiative of the company (see Appendix).

Analytical Strategy

We used the analytical method of Partial Least Squares (PLS) – a component-based SEM approach – to estimate the parameters of the proposed model (Ringle, Wende & Will, 2005). We did so in order to strike a balance between a complex model (see Figure 2) and sample size limitations, which are usually confronted in business-to-business sales force studies (Chin, 1998;

Hulland, 1999). Further, PLS is appropriate in situations of low theoretical information (Fornell & Bookstein, 1982) as is the case with our study. Indeed, our study is one of the first attempts to investigate the effect of CSR attributional processes in the employee domain and, specifically, in a sales force context.

The bootstrap method was used in order to estimate the standard errors of the model's parameter estimates (Nevitt & Hancock, 1998). Moreover, we tested whether sales force organizational trust mediates the effects of CSR attributions on sales-force behavioral intentions by employing the testing framework proposed by Baron and Kenny (1986). Finally, we tested the quadratic effect hypothesis (i.e., the inverted U-shaped relationship between values-driven attributions and organizational outcomes) by using Bollen's (1995) two-stage least squares (2SLS) procedure and the product-indicator method (Chin, Marcolin, & Newsted, 2003).

RESULTS

Measurement Model Results

We were sensitive to establish that our measures demonstrate adequate levels of convergent and discriminant validity as well as internal consistency (i.e., reliability) by employing the procedures recommended by Fornell and Larcker (1981). As shown in Table 1, all measures conform to accepted reliability, convergent, and discriminant validity standards. Moreover, in order to further investigate the quality of the measurement model, we employed Tenenhaus, Vinzi, Chatelin, and Lauro, (2005) guidelines. Specifically, we used the cross-validated

communality index as a criterion for measuring the quality of the measurement model for each construct. Constructs with a negative cross-validated communality index are badly estimated. The values for this index range between .28 and .52 indicating a sound measurement model.

-----Insert Table 1 about Here-----

Hypotheses Testing Results

Main-Effects

The variance of latent variables explained and the significance of path coefficients are used to assess our model's performance (Smith & Barclay, 1997). This is because the PLS methodology does not provide a summary statistic for measuring the overall fit of a model. Table 2 reports beta weights and t-values along with the R^2 for each endogenous variable. We estimated the significance of the parameters on the basis of 1,000 bootstrap samples (White, Varadarajan, & Dacin, 2003).

-----Insert Table 2 about Here-----

Overall, our predictors provide good explanation for the focal constructs. Specifically, the variance explained in salesperson organization trust, loyalty intentions, and word-of-mouth is .62, .47, and .60, respectively. In addition, most of the path coefficients are significant and in the hypothesized direction. Analyses indicate that CSR attributions have differential effects on the three criterion variables (see Table 2). As predicted, salespeople's egoistic-driven attributions

negatively influence organizational trust ($\gamma = -.29, p < .01$) and positive word-of-mouth ($\gamma = -.36, p < .01$) but have no effect on loyalty intentions ($\gamma = -.06, p > .01$), thereby providing empirical support for H1a and H1b but not for H1c. Values-driven attributions positively influence organization trust ($\gamma = .56, p < .01$), loyalty intentions ($\gamma = .39, p < .01$) and positive word-of-mouth ($\gamma = .35, p < .01$), thereby providing support for H2a, H2b and H2c. Consistent with our predictions, stakeholder-driven attributions positively influence organizational trust ($\gamma = .17, p < .01$), and word-of-mouth ($\gamma = .15, p < .01$) but have no effect on salesperson loyalty intentions ($\gamma = .03, p > .05$), lending support to H4a, and H4b, but not H4c. Strategic-driven attributions do not influence organizational trust ($\gamma = -.03, p > .01$), but exert a positive effect on both loyalty intentions ($\gamma = .22, p < .05$) and positive word-of-mouth ($\gamma = .37, p < .01$), providing support for H5b and H5c. Further, salesperson trust seems to positively influence loyalty ($\beta = .27, p < .01$) and word-of-mouth-intentions ($\beta = .21, p < .05$). Finally, tenure does not seem to have an influence on any of the outcome variables.

To validate hypothesis testing results regarding H1, H2, H4 and H5, we conducted a post-hoc power test for the F-test and relate it to the R^2 of the exogenous constructs predicting sales force organizational trust (Antioco, Moenart, Lindgreen, & Wetzels, 2008; Erdfelder, Lang, & Buchner, 2007). Post-hoc power analysis should not be confused with the so-called retrospective power analysis, in which the effect size is estimated from sample data and used to calculate the observed power (Erdfelder, *et al.* 2007). Rather, we specified population effect sizes on a priori grounds. In particular, previous relevant studies on the effects of CSR-induced attributions on important outcomes, like trust and purchase intent, have found an effect size close to .25 (Ellen,

et al. 2006; Vlachos, *et al.* 2009). Building on these studies, we assumed a similar effect size. Given the assumed effect size for the study's four predictors of sales-force organizational trust ($f^2 = .25$; $R^2 = .20$), a significance level of .05 and a desired power of .80, the sample size should include 53 respondents. This figure is within the bounds of sample size obtained in our study, thereby strengthening the validity of our results.

Since models yielding significant bootstrap statistics can still be invalid in a predictive sense (Chin, 1995), measures of predictive validity for focal endogenous constructs should be used. One such measure is the Q^2 measure (i.e., the cross-validated redundancy index; Tenenhaus, *et al.* 2005). Q^2 for sales force trust, loyalty and word-of-mouth intentions is .50, .27 and .42 respectively, indicating good predictive relevance (Sirohi, McLaughlin, Wittink, 1998.; Tenenhaus, *et al.* 2005).

Non-linear Effects

Hypothesis 3, predicts an inverted U-shaped relationship between values-driven attributions and salesperson organizational outcomes. To estimate this quadratic effect, we employed Bollen's (1995) 2SLS estimator approach², which draws from the suggestions of Jöreskog (1998). The 2SLS estimator does not assume multivariate normality for manifest variables; rather, it provides consistent estimates and requires the inclusion of instrumental variables. We followed Bollen and Paxton's (1998) rules for including and excluding instrumental variables (see also Li &

² Due to space constraints, extensive details regarding the 2SLS analyses are not presented. Detailed results for these analyses can be obtained from the first author upon request.

Harmer, 1998). Further, besides stressing the importance of satisfying the counting rule (i.e., that one must have at least as many instrumental variables as has variables in the right-hand side equation that is routinely estimated in the 2SLS procedure), Bollen and Paxton (1998) also point out the importance of evaluating the selected instrumental variables. In particular, the selected instrumental variables should do a good job in predicting the observed variables that will replace. One such gauge of quality is the coefficient of determination. Equation (1) depicts the non-linear terms model for organizational trust; the same specification applies for loyalty intentions and positive word-of-mouth.

$$\text{SALESPERSON TRUST} = \alpha_{\text{TRUST}} + \beta_{\text{str}} * \text{STRATEGIC} + \beta_{\text{eg}} * \text{EGOISTIC} + \beta_{\text{val}} * \text{VALUES} + \beta_{\text{stak}} * \text{STAKEHOLDER} + \beta_{\text{valxval}} * \text{VALUES} \times \text{VALUES} + \zeta \quad (1)$$

The coefficient of determination for the instrumental variables of the study ranges between .21 and .67. Estimation results for the quadratic effect provide partial empirical support for H3. Specifically, the values-driven \times values-driven term negatively influences a salesperson's organizational trust ($\gamma = -.12$, $p < .05$), indicating an inverted-U shaped relationship between values-driven motives and organizational trust (H3a), but does not seem to influence behavioral outcomes (H3b and H3c), namely, salesperson loyalty ($\gamma = -.14$, $p > .05$) and positive word-of-mouth intentions ($\gamma = .02$, $p > .05$).

In order to replicate these findings using a different estimation approach (and to examine mediation effects-see the following section) we further employed the product-indicator approach

in conjunction with Partial Least Squares (Chin, *et al.* 2003). We enter the multiplicative terms into the linear-only terms model (Ping 1998). Composite reliability for the quadratic variable is .95 and AVE equals .61. The square root of AVE is greater than its correlations with the other variables, indicating discriminant validity. To investigate whether the inclusion of the quadratic term in the main effects model is empirically meaningful, we used the difference of R^2 values (Ping 1998). Results indicate that the addition of the quadratic term is empirically meaningful (Pseudo f -value= 5.49, $p < .05$). Statistical significance results coincide with the results of the 2SLS estimation approach. Specifically, the values-driven \times values-driven term negatively influences a salesperson's organizational trust ($\gamma = -.19$, $p < .05$), whereas this is not true for loyalty ($\gamma = .04$, $p > .05$) and word of mouth intentions ($\gamma = .11$, $p > .05$).

Mediating-Effects

Testing hypothesis 6 requires the use of Baron and Kenny's (1986) procedures. Overall, the analyses provide empirical support for H6. Specifically, trust fully mediates the effect of egoistic- and stakeholder-driven attributions on loyalty intentions. Further, trust partially mediates the effect of values-driven attributions on loyalty intentions. The direct effect of values-driven attributions on loyalty intentions when trust is excluded from the model is significant ($\gamma = .59$). However, when trust is included as a mediator in the model, then its direct effect coefficient becomes $\gamma = .42$. The direct effect of values-driven attributions on word-of-mouth when trust is excluded from the model is $\gamma = .64$. However, when trust is included in the model the direct effect of values-driven attributions on word-of-mouth becomes $\gamma = .40$. In the same vein, trust partially mediates the effect of egoistic-driven attributions on positive word-of-mouth intentions.

The direct effect when trust is excluded from the model is $\gamma = -.19$. However, when trust is included in the model, the direct effect of egoistic-driven attributions increases and becomes $\gamma = -.44$. Additionally, trust partially mediates the effect of stakeholder-driven attributions on word-of-mouth. The direct effect when trust is included in the model is $\gamma = .19$. When trust is excluded, the direct effect of stakeholder-driven attributions on word-of-mouth is increased and becomes $\gamma = .41$. Finally, trust fully mediates the curvilinear effect of values-driven attributions on loyalty and word-of-mouth intentions.

Additional Analyses

Consistent with the recommendations that have been set forth in the literature (e.g., Grewal, Cote, & Baumgartner, 2004; Podsakoff & Organ, 1986), we empirically examined whether our results are robust against multicollinearity and common method variance (CMV). With that in mind, we performed two additional sets of analysis. First, to determine the degree of multicollinearity, we computed the variance inflation factor (VIF) for each independent variable. Although no formal, theory-based cut-off value for VIF exists, several authors suggest that a VIF value exceeding 10 indicates severe multicollinearity (Neter, Wasserman, & Kutner, 1990), whereas some others view values greater than 2.5 as a cause for concern (Parasuraman, Zeithaml, & Malhotra, 2005). In any case, the mean VIF value across the five independent variables is 2.12, lower than any of the two aforementioned cut-offs, which implies that multicollinearity is not a serious concern in this study.

Second, we controlled for CMV in our analysis by using a partial correlation method (Podsakoff & Organ, 1986). In particular, the first unrotated factor from an exploratory factor analysis is entered into the analysis. Significance testing reveals that the results do not differ between the original model and the model controlling for CMV (see Table 2). The strength and direction of hypothesized effects remain stable after controlling for CMV. The only exception to that is the link between tenure and organizational trust which becomes marginally significant ($p < .10$); however, this link is not the major focus of our study. Thus, CMV does not appear to pose a threat in our results. Overall, these two sets of analyses lend further credence in the validity of our findings.

DISCUSSION AND IMPLICATIONS

Changing customer preferences, increased regulation and pressures from several stakeholder groups have placed an ever increasing emphasis on how companies respond to such pressures by making their operations more socially responsible. Despite the momentum that CSR has gained during the past few years, systematic research on how different stakeholder groups (e.g., consumers, employees, and the general public) are reacting to such initiatives remains limited. Even within the realms of this line of research, however, how salespeople feel and behave in reaction to CSR initiatives has received scant conceptual and empirical attention. This is problematic since salespeople constitute an important stakeholder group, primarily because they are responsible for building and maintaining customer relationships as well as for driving firm growth in business markets.

Against this background, we provide empirical evidence on how an important internal constituency of the company (i.e., the sales force) reacts to marketing actions with a social dimension (i.e., CSR initiatives). Based on real-world data from a global corporation, we find that CSR matters even in a non-consumer stakeholder context focusing on salespersons' reactions. Both researchers and practitioners should start paying more attention on how CSR initiatives primarily targeted at consumers influence cognitions, attitudes and performance of salespersons, a stakeholder group critical in the firm's value creation process. Based on the results of the study, we argue that investing in CSR and consequently anticipating its effects on non-consumer stakeholder groups is not an easy endeavor since it involves complex psychological processes (i.e., attributional and intervening processes) and non-linearities (i.e., negative quadratic effects). In particular, this study extends the research stream on CSR by positing that the attributions salespeople make with regard to the motives underlying their employer's CSR activities directly influence their attitudinal and behavioral responses. Specifically, understanding how salespersons make attributions regarding corporate motives underlying a CSR initiative, and how these attributions relate to organizational trust, loyalty, and recommendation intentions, can help companies monitor and enhance these outcomes through marketing initiatives that manage CSR-induced attributional processes. Interestingly, the results indicate that loyalty and word-of-mouth intentions are likely to differ with regard to their linkage with salespersons' CSR attributions. These two outcomes relate (amongst others) to different managerial goals: loyalty intentions pertain to salesperson retention and word-of-mouth to recruiting talented and qualified salespersons. Based on our findings, when the major problem is salesperson retention then the company should primarily focus on building and communicating

values-driven attributions since they directly influence loyalty intentions. The same stands for strategic-driven attributions but to a lesser extent. When management is concerned about recruiting talented and skillful salespersons, the focus should be on diminishing egoistic-driven attributions while building values-driven and strategic-driven attributions. Stakeholder-driven attributions have favorable effects on this managerial goal as well but to a lesser extent. At this point, it should be noted that building CSR-induced attributions is likely influenced by the structural elements of the CSR offer (e.g., whether the company exhibits long-term commitment to the cause, whether there is fit between the cause and the company's business, whether the cause supported is local or geographically distant etc.). However, these conjectures require further conceptual and empirical investigation.

Finally, the central role of organization trust found in the study indicates that to assess the effectiveness of CSR actions, sales managers should routinely measure how much these actions influence salespersons' organizational trust levels. Based on the results (i.e., effect sizes) management can enhance salespersons' organizational trust levels by primarily building salespersons' perceptions of values-driven motives and diminishing their perceptions of egoistic-driven motives. Building perceptions of stakeholder-driven motives seem to have a positive, but rather weak effect on organizational trust, whereas perceptions of strategic-driven motives do not seem to help in further deepening salespersons' trust beliefs towards the sales organization. Altogether, these results have implications for both theory and practice.

Implications for Theory

Our work extends the research stream on sales force reactions to CSR in several ways. First, we theorize and provide empirical evidence on the direct effect of salespeople's CSR attributions on important sales force responses, such as organizational trust, loyalty and word-of-mouth intentions. Much prior work in the area has largely focused on how salespeople make attributions regarding their performance (e.g., Dixon, *et al.* 2001; Johnston & Kim, 1994), thereby paying less attention on how salespeople make attributions regarding organizational actions, such as CSR initiatives. Our findings indicate that salespersons' attributions are mainly positive and have a direct influence on both attitudinal and behavioral salesperson responses. Moreover, the present study offers novel insights in that it investigates an unrecognized antecedent of organizational trust, namely sales force reactions to CSR. Importantly, in contrast to the existing sales research, we investigate salesperson trust reactions at an organizational rather than at a sales manager level (e.g., Flaherty & Pappas, 2000). Specifically, our findings show that CSR effects do not only exert linear effects but also quadratic effects (i.e., inverted U-shaped) on organizational trust. This insight offers a new perspective in sales-related CSR research and echoes previous findings in the literature that have presented similar non-linear relationships between variables of interest (e.g., Singh, 1998).

Second, we build a theoretically-based social exchange model of salesperson behavioral intentions that underscores the importance of organizational trust as a key intervening variable, which translates CSR attributions into important salesperson outcomes. Although prior work (e.g., Atuahene-Gima & Li, 2002; Ramaswami & Singh, 2003) has identified supervisor trust as

an important construct in sales research, we extend current knowledge by showing that organizational trust is also an important mediating mechanism linking salespersons' attributions to important outcomes. The intervening role of organizational trust is important since it indicates that the much desired behavioral and financial impacts of CSR in a sales force context (i.e., salesperson performance) may stem from salesperson organizational trust perceptions.

Finally, our study contributes to the literature by examining the influence of CSR initiatives on the sales force, thereby identifying the sales force as a potential stakeholder group. This perspective offers new insights, since most of the marketing literature focuses on the effects of CSR in the consumer domain. For example, recent work investigates the effect of CSR-induced consumer suspicion on consumer related response variables (e.g., Ellen, *et al.* 2006; Vlachos *et al.* 2009). However, it seems that managers increasingly engage in CSR activities in order to compete for talent and to increase employees' organizational identification and pride (Franklin, 2008; Larson, *et al.* 2008). Having said that, the sales management literature is rather silent regarding sales force reactions to CSR. The study of Larson, *et al.* (2008) is probably the first that examines the role of CSR on sales force responses. However, though they investigate how construed consumer attitude towards CSR influences salespersons' selling confidence, they do not directly investigate the effect of sales force's own CSR perceptions on outcomes; importantly, they do not investigate whether CSR-induced attributions either directly or as a moderating variable influence sales force outcomes. In addition, their study has taken place in a direct selling context. As such, our study offers unique insights into how salespeople react to CSR initiatives in a business-to-business context. In contrast with relevant CSR studies

conducted in the consumer domain (e.g., Ellen, *et al.* 2006; Vlachos *et al.* 2009), our findings indicate that salespeople's CSR-attributions are mainly favorable and seem to enhance important outcomes. Specifically, whereas our study shows that stakeholder-, and strategic-driven attributions positively influence sales force outcomes, consumer research studies indicate that consumers deriving these two CSR motives are more likely to form negative attitudes and behavioral intentions (Vlachos *et al.* 2009).

Implications for Practice

In recent years, there has been a growing trend toward focusing managerial attention on designing and communicating CSR initiatives to external stakeholder groups, such as consumers. Other stakeholder groups, however, such as employees, in general, and salespeople, in particular, have received less attention, presumably because of organizational pressures to exhibit an immediate response to social demands. Our study highlights that CSR initiatives are likely to have an impact on key salesperson outcomes, such as a salesperson's intention to promote the company by spreading positive word-of-mouth as well as salespersons' intention to remain in the organization. However, both behavioral intentions hold the potential to have an impact on company's long term performance, primarily because the sales force has a direct influence on the quality of customer relationships and top-line growth in business markets. Thus, sales executives should recognize the need for managing sales force reactions to CSR initiatives. Firms should explicitly address how to shape the four types of CSR-induced attributions in order to influence salespeople's reactions. In particular, egoistic-driven attributions have deleterious effects on salespeople's attitudes and outcomes and should be avoided. Thus, sales executives should focus

on building values-, stakeholder-, and strategic-driven attributions among members of their sales force in order to maximize the benefits gained from a CSR initiative. There are several ways that this can be accomplished. One such way is to clearly communicate how the CSR initiative is facilitating salespeople's work and delineate how it has a positive effect on performance . In addition, cultivating an organizational culture that places central importance on how the company is helping the general public (e.g., through internal marketing communications regarding CSR) can have a dramatic influence on generating positive reactions from salespeople. In this respect, organizational values, such as benevolence, trustworthiness, and integrity are key notions that can signal a caring organizational character that can meet salespeople's self-expression or morality needs.

Our findings, however, indicate that values-driven attributions likely have an inverted U-shaped relationship with organizational trust. This finding suggests that managers should not go too far when communicating their values-driven motives. It seems that salespeople are not ready to believe that a for-profit company, such as the one studied, is investing in CSR initiatives solely due to its heavy reliance on ethical principles. On the other hand, even if this is the case, a heavy reliance on values-driven motives might signal to salespeople that their company is not competent enough to compete in a fierce profit-motivated market environment.

Finally, the key mediating role of trust identified in this study indicates that managers aiming at monitoring the success of CSR initiatives in a sales force context, should measure how such initiatives are likely to further influence organizational trust. Importantly, knowing how salespeople's CSR-induced attributions foster or diminish organizational trust, loyalty, and word-

of-mouth intentions, can help managers enhance these outcomes through marketing tactics that affect the formation of CSR-induced attributions.

LIMITATIONS AND FURTHER RESEARCH

Our results are tempered by certain limitations, which provide fertile opportunities for further research. First, prior studies have conceptually and empirically supported the notion that sales managers have an important effect on sales force behavior (e.g., Ahearne, Mathieu, & Rapp, 2005; Kohli, 1985; MacKenzie, Podsakoff, & Rich, 2001; Ramaswami & Singh, 2003). In our study, we did not investigate whether and how sales managers' CSR-induced attributions are likely to influence salespersons' CSR-induced attributions. Future studies should test such cross-level research questions by employing a multilevel research design (e.g., Avlonitis & Panagopoulos, 2007).

Second, some of the hypothesized paths were not found to be statistically significant. For example, contrary to our predictions, we find that egoistic-driven attributions do not influence sales force loyalty intentions, although they are likely to influence word-of-mouth intentions as predicted. Furthermore, the predicted curvilinear effect of values-driven attributions on loyalty and word-of-mouth intentions is not significant, though it is significant when the dependent variable is organizational trust (i.e., an attitudinal rather than a behavioral outcome). Based on these results, it is possible that the direction and size of the effects of a marketing action are

likely to differ for different salesperson attitudinal and behavioral outcomes; this is something that has to be further investigated in future studies.

A third limitation relates to the generalizability of the results, since data were collected through our close collaboration with a single organization operating in the consumer packaged goods industry. More specifically, it is likely that skepticism regarding the motives of firms involved in CSR is affected by industry (Yoon, Gurhan-Canli, & Schwarz, 2006; Palazzo & Richter, 2005). Although our results are relevant to firms involved in selling to retail firms, future studies should cross-validate our results in different industries and especially those characterized by “bad” reputation (e.g., oil, tobacco, etc.). The results should also be cross-validated in different countries as well. Furthermore, to invoke sales force reactions to CSR, we employed an actual CSR program with specific attributes that has likely confounded our results (e.g., high fit between the company and the cause). On the other hand, the CSR program used is considered as state-of-the-art in that it involves more than one stakeholder groups and the implementation of more than one types of CSR (i.e., it involves cause-related marketing, corporate philanthropy, sharing of resources other than money, employee engagement, student engagement etc.).

The idea that CSR initiatives influence multiple stakeholder groups needs also to be studied in future research. Specifically, we have found that CSR-attributions can have positive effects on sales force behavioral intentions, whereas prior work in the consumer domain has found

evidence that CSR-attributions result in the formation of negative attitudes (e.g., Ellen, *et al.* 2006). As such, studies that simultaneously compare the effects of CSR on different stakeholders (e.g., employees, consumers) can make an important contribution.

Another limitation of the study is that we do not include – either as control variables or antecedents – constructs likely to affect the way salespersons are making CSR interpretations³. However, the goal of the study is not to investigate antecedents of CSR-induced attributions. Future studies should involve such predictors in their investigations. For example, we propose that CSR-induced attributions are influencing organizational trust, but it is also intuitively appealing to suggest that trust has an effect on attributions made regarding the initiative. Additionally, future studies should investigate the antecedent role of CSR offer elements (e.g., company-cause fit; the level of company commitment to the cause; whether the CSR activity has a high benefit salience etc.) on salespersons' CSR-induced attributions (Ellen, *et al.* 2006; Yoon, *et al.* 2006).

Response-bias is also a potential limitation of the study. Though, through the use of the Zoomerang tool (i.e., through an external web link), we assured respondents that the data will be analyzed by external researchers and that their anonymity will be strictly protected, there remains

³ We would like to thank an anonymous reviewer for suggesting this perspective.

the possibility that some salespeople responded in order to look good to company's management. Likewise, it is also possible that others didn't want to provide answers, which could jeopardize their status with the company.

There is also considerable potential for adding new constructs as well as moderators in our research model. Specifically, future research should include constructs that capture how salespeople construe customer responses to CSR activities or how CSR-induced sales force skepticism influences sales force reactions to CSR. One could also envision the inclusion of organizational commitment or identification in a framework of variables affecting one's relationship to the firm. Furthermore, future studies should consider empirically examining salespersons' fairness judgments regarding the social concern and actions of their employing organization. In this study, we use fairness theory in order to hypothesize the effects of CSR-induced attributions on salesperson organizational trust. However, we did not explicitly include fairness constructs in our empirical investigations. Future studies could empirically examine the effect of CSR on three distinct fairness judgments, namely procedural fairness (does the company help the cause in domains most important for the cause?), distributive fairness (does the company provide the volume of resources needed by the cause?) and interactional fairness (does the company treat the cause and its people respectfully?). Finally, future studies should investigate whether key salesperson variables, such as job satisfaction, career advancement opportunities, payment levels etc., are likely to weaken or strengthen the effect of institutional marketing activities, like CSR, on important salesperson outcomes (e.g., job performance, organizational commitment, and turnover intentions). We hope that our study will stimulate the level of discourse on such research endeavors.

APPENDIX ¹
Measurement Model Results

Item	Loading	Description
Loyalty Intentions		
L11	.94	Consider [Company Name] as my first employer of choice, If I had to choose again.
L12	.93	Continue working for [Company Name].
Word of Mouth Intentions		
WOM1	.85	Say positive things about [Company Name] to other people.
WOM2	.90	Recommend [Company Name] to someone who seeks my career advice.
WOM3	.91	Encourage friends and relatives to work for [Company Name].
Organizational Trust		
TRUST1	.93	[Company Name] can be trusted more than other companies.
TRUST2	.94	[Company Name] is honest and trustworthy.

Please read the following text carefully.

In order to improve the nutrition and health of poor school-aged children, [Company Name] has formed a partnership with the UN World Food Programme (WFP). WFP is the United Nations frontline agency in the fight against global hunger. [Company Name] supports the WFP in strengthening their school feeding programme in Colombia, Indonesia, Ghana and Kenya, sharing its nutrition, R&D, marketing and communication expertise. Together with WFP, [Company Name] develops nutrition and hygiene educational campaigns and carries out a nutritional review of the school programme's food basket. [Company Name]'s margarine brands, [Brand A] and [Brand B], raise awareness of child hunger with their consumers, thus raising funds for WFP's school feeding programme. [Company Name] engages its employees in a global event [Event Name], and local fundraising activities. [Company Name] employees are seconded to WFP to share their expertise and in a similar manner [Company Name] offers student internships at WFP country offices.

Please provide answers to the following questions taking into account the text you've just read

QUESTIONS FOLLOW

Egoistic-Driven Attributions

EGOISTIC1	.91	[Company Name] is taking advantage of the non-profit organization to help its own business.
EGOISTIC2	.87	[Company Name] wants it as a tax write-off.

Values-Driven Attributions

VALUES1	.86	[Company Name] believes in doing good business by doing well for society.
VALUES2	.82	[Company Name] has a long-term interest in the community.
VALUES3	.80	[Company Name] believes that good nutrition should be available to every child.
VALUES4	.62	[Company Name]'s employees believe in this cause.
VALUES5	.72	[Company Name] wants to make it easier for consumers who care to support children in need.

Strategic-Driven Attributions

STRATEGIC1	.86	[Company Name] wants to get publicity.
STRATEGIC2	.69	[Company Name] will get more new consumers by making this offer.
STRATEGIC3	.74	[Company Name] will keep more of its consumers by making this offer.
STRATEGIC4	.70	[Company Name] hopes to increase profits by making this offer.

Stakeholder-Driven Attributions

STAKEHOLDER1	.85	[Company Name] feels their customers expect it.
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STAKEHOLDER2	.80	[Company Name] feels society in general expects it.
STAKEHOLDER3	.76	[Company Name] feels their shareholders expect it.
STAKEHOLDER4	.82	[Company Name] feels their employees expect it.

¹Note: All constructs were measured with a 7-point scale, anchored from “1 = Strongly Disagree” to “7 = Strongly Agree”.

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Table 1. Intercorrelations, Reliability, and Validity for Study Constructs

	CR	α	1	2	3	4	5	6	7
1. Egoistic-Driven Attributions	.88	.74	.79						
2. Values-Driven Attributions	.87	.82	-.31	.59					
3. Stakeholder-Driven Attributions	.88	.83	-.15	.34	.65				
4. Strategic-Driven Attributions	.84	.80	.45	-.14	-.04	.56			
5. Organizational Trust	.93	.86	-.49	.72	.39	-.25	.88		
6. Loyalty Intentions	.93	.85	-.22	.59	.27	.07	.54	.87	
7. Word-of-Mouth	.91	.86	-.44	.61	.40	.10	.60	.66	.78

Notes:

(1) Elements along-the-diagonal represent average variance extracted (AVE) estimates.

(2) Elements below-the-diagonal represent Pearson's bivariate intercorrelations; all correlations are significant at least at $p < .05$

(3) CR = Fornell and Larcker's composite reliability estimates

(4) α = Cronbach's alpha reliability estimates

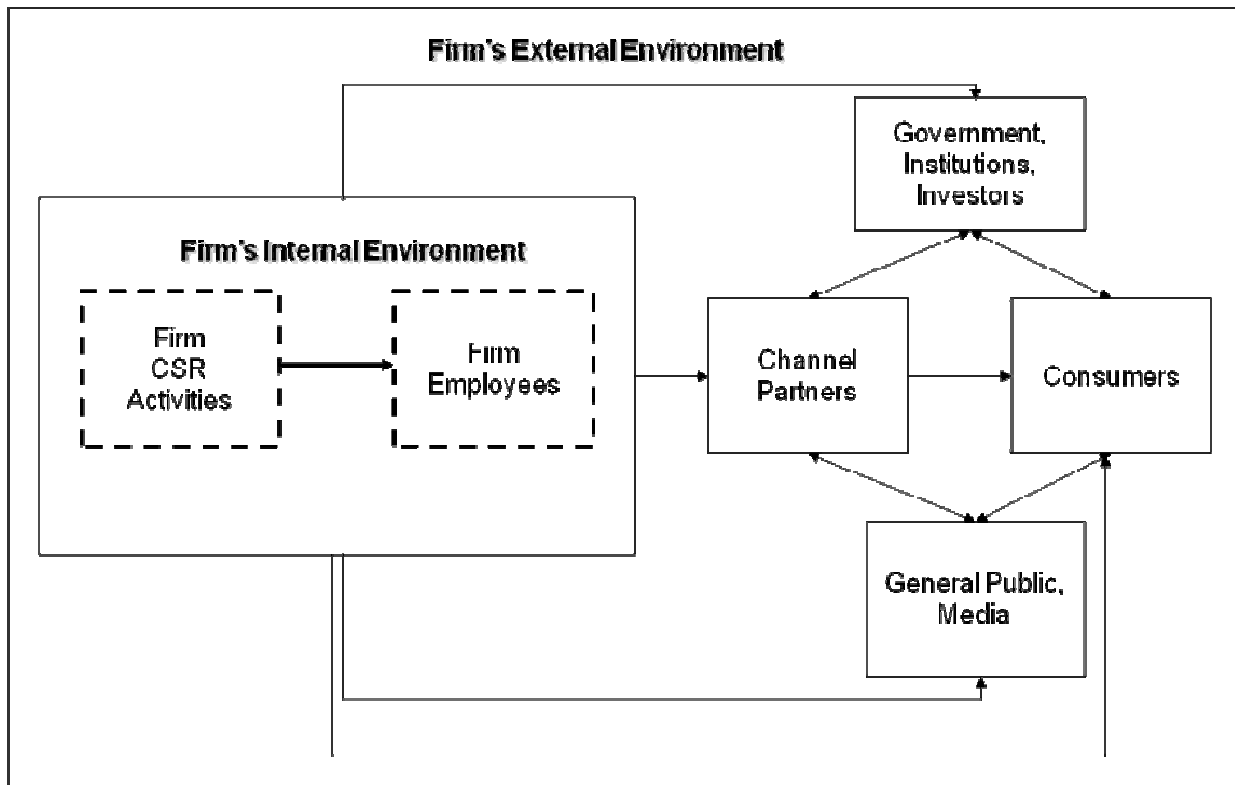
Table 2. Results of Hypotheses Testing ¹

	Organizational Trust		Loyalty Intentions		Word-of-Mouth	
	Not controlling for CMV ²	Controlling for CMV	Not controlling for CMV ²	Controlling for CMV	Not controlling for CMV ²	Controlling for CMV
Egoistic-Driven Attributions	-.29 (3.17)***	-.29 (3.12)***	-.06 (.81)	-.06 (.87)	-.36 (3.13)***	-.35 (3.21)***
Values-Driven Attributions	.56 (7.01)***	.66 (5.10)***	.39 (3.26)***	.73 (3.96)***	.35 (3.23)***	.47 (2.88)***
Stakeholder-Driven Attributions	.17 (2.60)***	.14 (1.97)***	.03 (.50)	-.06 (.98)	.15 (1.99)***	.11 (1.63)*
Strategic-Driven Attributions	-.03 (.44)	-.05 (.67)	.22 (1.90)**	.16 (1.63)*	.37 (2.74)***	.35 (2.50)***
Tenure	.09 (1.39)	.10 (1.51)*	.00 (.05)	.06 (.87)	-.08 (1.20)	-.08 (.97)
Organizational Trust			.27 (2.04)***	.21 (1.73)**	.21 (1.79)**	.19 (1.76)**
R²	.62	.63	.41	.48	.61	.62
Q²	.50	.53	.27	.38	.42	.47

¹ Entries in each cell correspond to beta weights (t-values).

² CMV=Common Method Variance.

*** p<.01, **p<.05, *p<.10 (one-tailed test)



Note: Links in dotted boxes constitute the focus of the present study

Figure 1. A Multi-Stakeholder Framework of CSR Initiatives

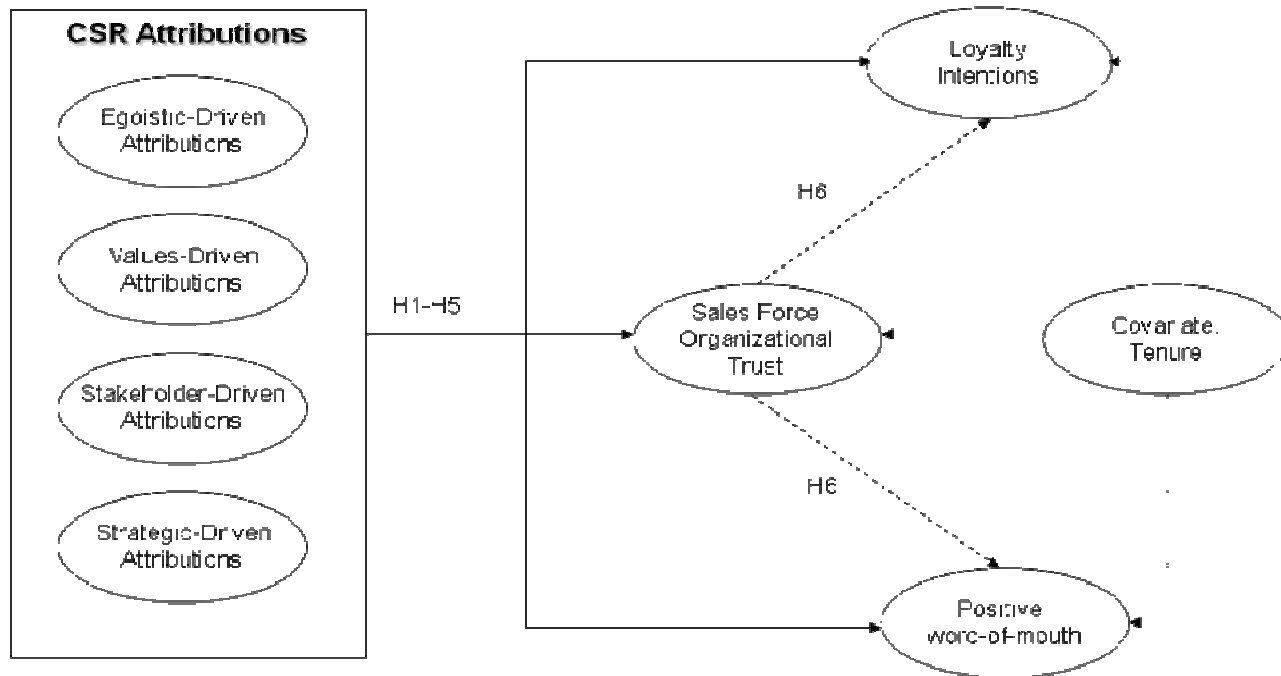


Figure 2. Research Model

